

CANADIAN CONFEDERATION.

INFORMATION IN RELATION TO PETITION OF NOVA SCOTIA DELEGATES.

HISTORICAL.

LORE DURHAM'S REPORT, 1839, recommended Legislative Union of the British North American Provinces, but strictly enjoined that it should be done with the free consent of all the Colonies, and that a Royal Commission should be sent out to arrange the terms and the basis of representation.

Although the question of Colonial Union had been more than once discussed in the Nova Scotia Legislature previous to 1861, the greatest possible difference of opinion was expressed by the several speakers: some preferring a Legislative, others a Federal Union, and one of them, Mr. Howe, advocated an Incorporation of the Colonies with the Mother Country, with representation in the Imperial Parliament; but no Resolution was moved or vote taken until the above year.

The scheme for confederating the Provinces *took its rise in Canada*, where, owing to dead locks in its Legislature, and frequent changes of administration, a Federal Union of Canada, Nova Scotia, New Brunswick, Newfoundland, and Prince Edward's Island was suggested by the Canadian Government as the remedy for the internal dissensions of Canada.

The first Legislative action taken in Nova Scotia was in 1861, when the House of Assembly, without debate or division, authorized the appointment of a Delegation, to confer with Delegates from the other Provinces as to the expediency of a Legislative or Federal Union of the whole group, or a Union of the Maritime Provinces only, with a view to the question being "set at rest."

Delegates from Nova Scotia and New Brunswick met the Executive Council of Canada, in September, 1862, when, after a brief conference, it was decided, without a dissentient voice, that until the projected Intercolonial Railroad was built, and free trade between the Provinces established, it would be premature to discuss the subject. And in this way the question was set at rest; *no one in the Nova Scotia Legislature objecting to the result of the Delegation.*

A general election came off in Nova Scotia in May, 1863, the chief issues before the country being a scheme of retrenchment, and a question in relation to the franchise, but it does not appear that in any instance the important subject of Colonial Union was brought to the notice of the Electors.

A new Provincial Government was formed in Nova Scotia immediately after the Elections, with Dr. Tupper as Premier, who, at the first meeting of Parliament, carried a Resolution authorizing the appointment of Delegates to consider, in conjunction with Delegates from New Brunswick and Prince Edward's Island, the expediency of a Legislative Union of the three Maritime Provinces.

Early in the same year, after a succession of dead locks and changes of Administration, a Coalition Government was formed in Canada, charged with the policy of combining all the British North American Provinces in a *Federal*

Union, or, if that was found impracticable, to apply the Federal Principle to Canada alone, with a Central Parliament, based on representation by population, for the whole Province, and local Legislatures for Upper and Lower Canada.

Delegates duly accredited from Nova Scotia, New Brunswick, and Prince Edward's Island met at Charlottetown in August, 1864, but before they had well begun the work with which they were charged—the Legislative Union of the Maritime Provinces—their proceedings were suddenly interrupted by the arrival of a strong Delegation from Canada, who succeeded in breaking up the conference and leading the Convention away from their official mission to the consideration of the other question—a Federal Union of all the Provinces.

The Delegates from the Maritime Provinces having abandoned the work with which they were charged by their several Legislatures, proceeded with the Canadian Deputation to Quebec, where, in October, 1864, the Resolutions known as the "Quebec Scheme," for confederating Canada, Nova Scotia, New Brunswick, Newfoundland, and Prince Edward's Island, were adopted.

That the policy of Confederation down to this period was Canadian, and not Imperial, is proved by the fact that the Colonial Secretary, Mr. Cardwell, acquiesced in the policy of legislatively uniting the Maritime Provinces, and approved of the hesitancy of the then Lieutenant-Governor of Nova Scotia to permit the Delegates to proceed to Canada and discuss the larger Union.

The scheme prepared at Quebec, and concocted in secret, excited great alarm and apprehension in Nova Scotia, from the moment it was published; so much so, that old party lines were at once broken down, and the masses of the people, by a common instinct, united together to resist a measure which threatened to rob them of their revenues and self-government.

The country was aroused, public meetings were held, and when the Legislature met in February, 1865, the Provincial Government—although pledged by the Governor's speech to submit the Confederation Scheme to the Legislature—did not dare to bring the measure down, but in its stead revived the Resolution of March, 1864, for a Legislative Union of the Maritime Provinces, and so strong was the feeling in the Assembly, that the Preamble, stating that—

"Whereas, under existing circumstances, an immediate Union of the
"British North American Colonies has *become impracticable*,—and whereas
"a Legislative Union of the Maritime Provinces is desirable whether the
"larger Union be accomplished or not,"

had to be subsequently abandoned, because the House would not, even by implication, recognize the expediency of any Union between Nova Scotia and Canada.

One hundred and eighty-three Petitions, signed by over 15,000 persons, praying the Assembly not to adopt the Confederation Scheme without consulting the people at the polls, were presented to the House in the Session of 1865, and only one petition was presented in its favour.

It would appear that no effective measures were taken to carry out the foregoing Resolution, which found no favour with the then Colonial Secretary, Mr. Cardwell, either by correspondence with the Government of New Brunswick and Prince Edward's Island, or by meetings of Delegates from the Maritime Provinces.

The Legislature of Nova Scotia, which re-assembled on the twenty-second February, 1866, was opened by a speech from the Lieutenant-Governor. Not a word was said in that speech, or in the address in reply, respecting either a Union of the Maritime Provinces, or the Confederation of all the British American Colonies. Lulled into security by this marked omission in the Lieutenant-Governor's speech, and fully believing that the Confederation Scheme was abandoned by the Government, the Petitions then in course of signature were

at once suspended, but even then one hundred and thirty Petitions, signed by over 8,500 persons, were presented, praying that no fundamental change be made in the Institutions of the country, and none were presented in favour of Canadian Confederation.

The Resolution introduced by the leader of the Government on the tenth April, 1866, authorizing the appointment of Delegates to arrange a Scheme of Confederation, was a surprise to the entire country.

No time was given to the people to hold meetings, or sign petitions, and the Resolution was hurried through the House in indecent haste, under a threat from the leader of the Government (Dr. Tupper) that he would move the previous question.

The debate, which preceded the adoption of the Resolution, assumed throughout that the Confederation would include Prince Edward's Island and Newfoundland, and there is no evidence that the Delegation would have been authorized had it been known that those two Provinces were to be left out.

Delegates appointed by the Government of Canada, Nova Scotia, and New Brunswick, to arrange a Confederation of the British North American Provinces, visited England in the summer of 1866. There were six from Nova Scotia, six from New Brunswick, and five from Canada. There was also a counter-delegation, which emanated from the people of Nova Scotia, consisting of Messrs. Howe, Annand, and McDonald, who, besides urging the views of the vast majority in that Province upon Her Majesty's Ministers, were also the bearers of a Petition to the House of Commons, signed by 31,000 persons, asking that they might be allowed to speak at the hustings before any Act was passed, which Petition was presented by Admiral Erskine in March, 1867.

No heed was given to this reasonable request. Even a delay of a few weeks until the elections in Nova Scotia should come off—the Assembly being then within three months of expiring by lapse of time—was refused, and three of the five Provinces of British North America were united by Act of Parliament.

Of the thirty-one Members of the Nova Scotia House of Assembly who voted for the Resolution of tenth April, 1866, thirteen did not offer for re-election on the eighteenth September, 1867; and of the eighteen who did ascend the hustings, only two were returned, both of them by narrow majorities, under protest for bribery and corruption; and of the fifty-seven Members elected to the Dominion Parliament and the local Legislature, only three were avowedly in favour of Confederation.

The unanimity of the Assembly of Nova Scotia, when it met, and its refusal to do any business under the Act of Confederation, pending the question of repeal, is referred to in another paper; but the gravity of the question, and the intense hostility of the people to this unfortunate measure, cannot be adequately gathered from the action of the representative body, with all their decision and unanimity. One of the latest acts of that body, in their Session of 1868, was to authorize the Delegation which is now here, in the following terms:—

“Resolved—That the Delegates so appointed are to urge upon the attention
“of the British Government and the Imperial Parliament the strong feelings of
“this House, and of the people of Nova Scotia, upon the question of Confederation; that they are to ask for the restoration of the Constitution of this country
“as it existed previously to the passage of the British North America Act;
“that they are not to accept any alteration of, or amendment to, such Act; and
“that they are hereby authorized, if necessary, to retain counsel learned in the
“law to plead the claims of Nova Scotia at the bar of the House of Commons,

"and to take all such other and necessary steps for carrying out the Resolutions of this House as may be deemed advisable."

And that the Assembly is not in advance, but rather in the rear of public opinion, is evidenced by the universal uprising of the people of the country, who in every one of the eighteen Counties have held public meetings at which the British North America Act was condemned, and its repeal demanded in tones which show that the population are terribly in earnest. At one of these meetings, perhaps the most important, because held in the Metropolis, the following significant Resolution was unanimously adopted—"That in the opinion of this meeting, the Act of Union, as passed and made law by the Imperial Parliament, has no claim upon the loyalty of the people of Nova Scotia, any obedience yielded to that Act being a matter of coercion, and not given with the free assent of a free people."

The Delegates submit that the case is a grave one, involving Imperial as well as Colonial interests, demanding prompt inquiry and prompt redress.

THE FREE TRADE ARGUMENT.

Without Confederation, it is said, we could not have Free Trade between Canada, Nova Scotia, and New Brunswick. All the natural products of those Provinces—of the soil, the sea, the mine, and the forest—passed freely between them before Confederation was thought of, everything, in short, except manufactured goods. And in 1862, two years before the Quebec scheme was suggested, the Government of Canada propounded the free interchange of manufactured articles between the Colonies, which was then declined as premature by Nova Scotia and New Brunswick. It is true that Free Trade sweeps away the Custom-houses as between the Provinces, but it retains them all against the Mother Country; and, to the extent of the consumption of Nova Scotia, increases the duty on British manufactured goods from 10 to 15 per cent. The Dominion Parliament at its first Session imposed heavy duties on many articles which previously came into Nova Scotia free of tax. Take a single illustration. All the types, printing materials, and printing-paper used in the Province were imported from England free; they are now taxed 15 per cent., to protect one type-foundry and two or three paper-mills in Canada, at once enhancing the cost of those articles to the Nova Scotians and restraining the industry of the Mother Country.

THE INTERCOLONIAL RAILWAY.

Then it is argued that the Intercolonial Railroad would not be built unless the Provinces confederated. Arrangements were made to construct that road in 1862, each Province pledging itself separately to provide its share, under sanction of the Imperial authorities; and it is because Canada failed to fulfil her pledge, that that great public work was not completed. But grave doubts have lately arisen as to the value of this railway. Traversing, as it would, hundreds of miles of wilderness country—much of it barren, broken, and unfit for settlement—

it could not be expected to pay even working expenses for many years to come; and if comparatively useless as a commercial speculation, running as it must for at least sixty miles, within twenty-seven miles of the American frontier, it is evident that it would be absolutely useless as a means of Defence, should there unhappily be a war between this country and the United States. For purely Commercial purposes it can be amply demonstrated that a railway from the seaboard, at Halifax, to St. John, New Brunswick, and Bangor, in the State of Maine, besides connecting the two Maritime Provinces with all the Railways of the United States, would also connect them with the Canadian Railways, and bring Montreal, Toronto, &c., twenty-five miles nearer Halifax than by any one of the Lines recommended by the engineers for the Intercolonial. Failing, then, to be profitable in a commercial view, or valuable as a means of defence, it would appear reasonable that the Imperial guarantee of £3,000,000 sterling should be withdrawn; as the interest, to say nothing of the cost of running the road, will be a heavy charge on the Provinces, with the possibility that the ultimate payment of the Loan may be thrown upon the Mother Country.

The Province of Nova Scotia was prepared, before the Confederation, to have constructed its fair proportion of this Railway, without any recourse to an Imperial guarantee, and had entered into contracts for that purpose. It is still ready, when freed from the burden of the British North America Act, to undertake that responsibility. A Resolution to that effect was passed in the House of Assembly of Nova Scotia by a majority of 27 against 5, on 24th February, 1868.

THE FORTIFICATION AND DEFENCE ARGUMENT.

It is said that under Confederation the Provinces will appropriate much larger sums than heretofore for local defence, and relieve the Mother Country from the heavy expenditure of keeping large bodies of troops in the British North American Colonies. So far, however, no relief has been afforded the tax-payers of England by Confederation. Not a single regiment has been withdrawn from Canada, and not a penny saved to the Imperial Exchequer since the Provinces were confederated.

Nor has the Dominion Government done anything to realize the expectations of the Parliament and people of England. The Province of Canada alone expended over £300,000 upon her Militia in the year immediately preceding the passage of the Confederation Act, to say nothing of the Militia expenditure in Nova Scotia and New Brunswick. The Militia grant of the entire Dominion for the first year of Confederation, instead of exceeding the above amount, is estimated at £180,000, about half the sum voted by the three Provinces when separate the year before.

The Militia Bill lately introduced in the Dominion Parliament provides for the actual employment of but 50,000 Militia, who are liable to eight days' drill. This is for the whole Dominion; whereas in Nova Scotia alone upwards of 45,000 were called out and drilled five days last year, equal to a total of 225,000 days' drill of a *Provincial* population of 370,000, against the drill of 400,000 days for a *Dominion* population estimated at nearly 4,000,000. Nova Scotia in 1866 spent over £30,000 for her Militia, far more than her share under the Bill lately introduced by the Canadian Minister of Militia.

Then it will be said that the Dominion Government propose to expend £220,000 yearly, for five years, upon fortifications—£1,100,000 in all. Yes; but the British Government are expected to guarantee the Loan, at an interest not exceeding 4 per cent., with a sinking fund of 1 per cent. The expenditure of £220,000 sterling a year, spread over seven different localities in Canada and New Brunswick, cannot do much good, and may do much harm. The grant for fortifications will probably be looked upon as a menace by the United States, and if ten times as large as it is would offer no serious obstacles to Canada being invaded and overrun, should the Americans desire the conquest of the country above Quebec. But assuming the expenditure a wise one, after all what is it when the money is borrowed and spent? An annual charge of £55,000 sterling per annum; the Nova Scotian share of which—if we apply the Canadian principle of representation by population—would be £5,500 a year; a sum they would cheerfully pay, if released from the operation of the "British North America Act."

EXISTING ENGAGEMENTS.

It will no doubt be urged, as an argument against the Nova Scotians, that pecuniary engagements have been entered into since the Act of Union was passed, and that it would, therefore, be unjust to the public creditor, to repeal the "British North America Act." No serious difficulty could possibly arise on this point, as far as Nova Scotia is concerned. All the undertakings for important public works were made before any Delegation from that Province was sent to England, and long before the Act referred to was passed. Arrangements had previously been made to borrow, on the Provincial credit, all the money necessary to build the Railroad to Pictou, now completed and open for traffic. A contract had also been entered into with English capitalists, to construct a Line of Railway from Windsor to Annapolis, now in course of construction, the Province engaging to pay the Company a subvention of £16,320 sterling a year for twenty years, or to capitalize the amount; the latter course was subsequently adopted, by the Nova Scotia Government engaging to pay the Company the sum of £220,600 sterling in full, in Provincial Debentures at par, bearing 6 per cent. interest. This was done in the Session of 1867.

And a further Contract was made by the Government of Nova Scotia with an English Company to construct that portion of the so-called Intercolonial Railway, which running from Truro to the New Brunswick frontier, would unite those two Provinces, and when the Line now rapidly building is completed, with the entire railway system of Canada and the United States. That engagement, made in 1865, the Contractors profess their readiness to fulfil, and hold the Province liable for the promised subvention of £24,000 sterling a year for twenty years.

All these liabilities, incurred by the Government and Legislature of Nova Scotia, were made some time before the Provinces were Confederated, and in full reliance upon the adequacy of the revenues of the Province to meet all the charges so created.

TAXATION AND FINANCE.

It is also strongly urged by the advocates of Confederation, that the pecuniary engagements of Nova Scotia were so heavy at the time "The British North America Act" was passed, that whether confederated or not, she would have been forced to largely increase her taxation. Assuming, for the moment, this allegation to be true, the increased burdens would, after all, only be temporary, inasmuch as by strict economy in the expenditure, and the increase of revenue incident to a steadily-growing population, the Government would, in a very short time, be in a condition to return to a low tariff, under which great public works were completed, and the Province has flourished. On the contrary, while Nova Scotia remains under the operation of the Act referred to, she can look for no reduction of taxation, but must necessarily be exposed to an increase of those protective duties which have already been adopted by the Parliament at Ottawa, and will be inevitable to meet the large expenditures contemplated by the Canadian Government, which have not been provided for in the adjustment of the present tariff. Nor does it at all follow that if increased taxes would be necessary on the part of Nova Scotia, if out of the Union, that these would be imposed, as in Canada, upon the manufactures of England. Indeed, there would have been no difficulty in raising a considerable amount of revenue upon other articles of general consumption, without, to any appreciable extent, diminishing the comforts of the people, to say nothing of the raising of money by other modes of taxation than upon importations from abroad.

It can easily be shewn that the Province of Nova Scotia, if left in possession of its Revenues, would now be in a position to amply provide for the payment of Interest on her Public Debt, for the support of Civil Government, Militia, Education, &c., leaving a large sum applicable to the local services of the country.

The gross estimated expenditure for the financial year, 1866, the largest ever authorized by the Legislature of the Province, amounted to £326,035 sterling, and the gross revenue, for the same period, was £341,771 sterling.

But it will be said, in reply, that the interest on the Public Debt has largely increased since that time, and that the Customs and Excise Revenues for 1867 (no data have yet been published showing the exact amount derived from other sources*) exhibits a falling-off for the year.

Assuming both these statements as correct, the Account would stand thus:—

INCOME.		Sterling.
As per Report of Committee of Public Accounts for year ending 30th September, 1866		£341,771
Deduct alleged falling-off of revenue for 1867 as compared with 1866		25,509
		£316,262
EXPENDITURE.		
As per Estimate for 1866	£326,035	
Add increased liability for interest, assuming the debt at largest figure yet published, but not authenticated (see Papers X and Y)	35,292	361,327
		£45,065
And there will appear to be a deficiency of		

But then it must be borne in mind that the grants of 1866, which were greatly in excess of any previous year, included large sums for permanent public

* The falling-off, if any, in these must be trifling, inasmuch as the Customs and Excise Duties constitute the chief sources of revenue.

works, deducting which, and reducing the road and bridge service to the sum granted in 1865 (*vide* Paper Z), a saving of £49,000 sterling might be effected, leaving money enough to provide as liberally for Civil Government, Interest on Debt, Militia, Education, and other public services of the country as by the Estimate of 1866. And this result is obtained without following the Canadian example of heavy imposts on British and other goods, or by the adoption of Stamp Duties, Taxes on Newspapers, and Taxes on the Bank Circulation of the Province.

But, then, it may be objected that no provision is made in the above statement for that portion of the Intercolonial Railroad which is fairly chargeable against the Province of Nova Scotia. Assuming the public moneys should be expended on the Canadian principle—representation by population—Nova Scotia will perform her fair and full share of the obligation if she constructs that section of the Railway which lies within her own border, a distance of seventy miles, between Truro and the frontier of New Brunswick. This she was under contract to do in 1865, at an annual charge of £24,000 sterling, a contract she is still prepared to carry out, if released from Confederation, without Imperial aid or guarantee. This charge could be met in a variety of ways, until the Revenues of the Province come up again, as they are sure to do, from the natural increase of population and the rapid growth of income from her coal and gold mines, should the Reciprocity Treaty with the United States be renewed. A tax of one per cent. upon Imports, to be taken off when the Revenue came up, would give nearly all the money required; or the deficiency might be made good by temporary loans; and even a reduction in the local expenditure would be cheerfully submitted to by the people, for a few years, to carry out existing engagements and uphold the long and well-established credit of the Province.
